

How FEMP Designates Products

The Department of Energy (DOE) Federal Energy Management Program (FEMP) facilitates the Federal Government's implementation of sound, cost-effective energy management and investment practices to enhance the nation's energy security and environmental stewardship. Federal agencies are required by legislation, executive orders, and acquisition regulations to purchase FEMP designated products. FEMP prepared this fact sheet to assist agencies and vendors with understanding what FEMP designated products are, the process used to identify them, and how their performance levels are set for Federal purchases.

Legal Authority

In 1991, Executive Order 12759 was issued requiring Federal agencies to purchase energy-consuming products that are life cycle cost effective. A year later, Congress passed the Energy Policy Act (EPA) of 1992, which included this requirement and directed DOE, in consultation with other agencies, to "identify and designate those energy efficient products that offer significant potential savings" and to issue "guidelines to encourage the acquisition and use (of these products) by all Federal agencies."

Through FEMP, DOE committed staff and resources to identify energy-efficient products and designate their performance requirements. In 1999, Executive Order 13123 was issued requiring agencies to select products that are either ENERGY STAR® labeled or FEMP designated to be within the top 25 percent of efficiency for their type.

EPA 2005 requires agencies to procure ENERGY STAR-qualified or FEMP

designated products. It also requires agencies to incorporate ENERGY STAR and FEMP performance criteria into guide and project specifications; construction, renovation, repair, energy service, and operation and maintenance contracts; lease agreements and in all evaluations of solicitation responses.

EPA 1992 and 2005 both amended the National Energy Conservation Policy Act (NECPA) to include these requirements and codify them into law (42 U.S.C. Sec. 8259b). The Federal Acquisition Regulations (FAR), the primary reference document for Federal procurement officials, was revised to include these requirements as well. They can be found in FAR Part 23—*Environment, Energy and Water Efficiency, Renewable Energy Technologies, Occupational Safety, and Drug-Free Workplace*.

These legal documents authorize DOE to identify efficient products and designate their performance for Federal purchase.

Identifying Product Types

Working with other Federal agencies, DOE developed the following criteria to determine which product types can be FEMP designated. In general, FEMP designated product types must:

- Be purchased in sufficient quantities by Federal agencies.
- Be tested in accordance with a nationally or industry recognized standards that accurately measures energy use (including standby power) and water consumption.
- Have published energy and water use data that represent most, if not all, of the products available on the market in the United States.

Setting Performance Levels

Once a product type is determined to meet the above criteria, FEMP collects market data (performance and price) for as many of these products as it can and then lists them from the most to least efficient. FEMP is statutorily required to set its performance levels at the top 25 percent of this product list. For example, in the category "Widgets," if there are 100 different models, DOE must consider the 25 most efficient products for FEMP designation.

The next step is for FEMP to compare the life cycle cost of the top 25 percent against the least efficient or base models. If the combination of purchase price and operating cost discounted over the life of the product is less for the top 25 percent than the base models, this product type is eligible to become FEMP designated.

The final step is for FEMP to verify that products meeting the top 25 percent requirement are available from multiple sources. In most cases, Federal purchasers are required to consider at least three manufacturers when justifying a purchase. FEMP tries to avoid setting a performance level for new or innovative products that do not yet have multiple, competitive supply sources or are not available throughout the United States. If necessary, FEMP will lower the performance level slightly to allow products from a third manufacturer to qualify.

When a product type has successfully completed this process, FEMP is then required to issue guidelines that encourage its acquisition and use by Federal agencies.

For More Information:

FEMP

U.S. Department of Energy, EE-2L
1000 Independence Avenue, SW
Washington, DC 20585-0121
202-586-5772
www.femp.energy.gov

FEMP Product Procurement

www.femp.energy.gov/procurement

Lawrence Berkeley National Laboratory

202-488-2250
www.lbl.gov

ENERGY STAR

888-782-7937
www.energystar.gov

FEMP Standby Power Data Center

www.femp.energy.gov/standby

WaterSense Program

866-987-7367
www.epa.gov/watersense

Federal Supply Sources

General Services Administration

www.gsa.gov/advantage

Defense Logistics Agency

www.dla.mil
www.dlis.dla.mil/emall.asp

Guidelines

For each FEMP designated product type, DOE publishes guidelines called *Purchasing Specifications for Energy-Efficient Products* that:

- Identifies performance levels necessary for Federal purchases.
- Offers tips to help buyers select the right product, size and install it properly, and use it effectively.
- Shows a cost-effectiveness example to aid buyers in calculating potential savings.
- Lists Federal supply sources.
- Provides additional resources that can be used to research each product type more thoroughly.

FEMP purchasing specifications are available at femp.energy.gov/technologies/eeep_purchasingspecs.html.

FEMP does not have the authority to label or otherwise “recognize” specific product types as being efficient. Instead, FEMP publishes the required performance level for a type of product, and any individual product that meets that performance level qualifies. Federal procurement officials are required to specify or select only those products that meet the designated performance levels.

Working with FEMP

Through the Product Procurement Working Group, FEMP meets with representatives from Federal agencies to discuss issues and obstacles to procuring efficient products. One of the topics frequently brought up at these meetings is what additional product types should be considered as FEMP designated.

If an agency or organization would like DOE to consider a particular product type, please submit the following to FEMP:

1. The standard test procedure used to determine annual energy consumption, including standby power (if any) for the product type to be considered.
2. A data source showing the annual energy or water consumption, as measured by the standard test procedure in (1), for each make and model of the product type sold in the United States.
3. Data on either the installed base of the product type in the Federal sector or annual sales to Federal agencies.

This information must cover ALL products within the category sold in the U.S.—not just products manufactured or sold by one company.

DOE will analyze the data in accordance with the criteria described above. If the analysis shows a product type is regularly purchased by Federal agencies and offers life cycle cost savings, then FEMP will designate a performance level and issue a purchasing specification. However, if Federal agencies do not use the product type or it is not life cycle cost effective, then FEMP cannot justify adding it as a product category.

Please note that the absence of a FEMP designated performance level does not exclude a particular product type from being used in the Federal sector. Agencies can still purchase products that meet their needs, and vendors can still list their products with Federal supply sources.

Version 1: August 2010

U.S. DEPARTMENT OF
ENERGY

Energy Efficiency &
Renewable Energy

For additional information
please contact:

EERE Information Center
1-877-EERE-INF (1-877-337-3463)
www.eere.energy.gov/informationcenter

Printed with a renewable-source ink on paper
containing at least 50% wastepaper, including
10% post consumer waste.

Prepared by Lawrence Berkeley National
Laboratory (LBNL) and produced by the
National Renewable Energy Laboratory
(NREL), both national laboratories of the
U.S. Department of Energy. NREL is operated
by the Alliance for Sustainable Energy, LLC.

DOE/GO-102010-3124 • August 2010

FEMP
Federal Energy Management Program